THE OBJECTIONS OF ORGANIZED LABOR TO COMPULSORY ARBITRATION

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I HAVE been requested to make a statement, wherein will be set forth the objections of organized labor to compulsory arbitration. I shall aim to set forth the views of organized labor, and not simply my own ideas. In fact, some of the objections may be far more radical than I personally should offer. The objections that I shall offer are specifically objections to compulsory arbitration, and may or may not include objections to the Canadian Act or similar laws upon the subject. You will notice that in my remarks I refer to the mental attitude of the arbitrator and state that as a basis of objection to arbitration; in fact, as evidence that arbitration is not an equitable manner of disposing of wage questions, because so much depends upon the mental attitude of the individual whose judgment is asked. I ask special attention to this point in my paper.

Railroad employees, and all people who work for wages, are opposed to so-called compulsory arbitration because it is but an ill-concealed effort on the part of the master class to deprive labor of its economic power. Under the guise of arbitration it is proposed to fix wages and working conditions by judicial compulsion.

Whenever and wherever by judicial process labor has been controlled, the employer has become a master and his employee a peon, serf or slave; for now, heretofore and hereafter the master class molds the mind of the judiciary. An arbitrator created by law is no less a judge, and where appointed by governmental authority becomes a dictator. Should his dictum be enforced by law his reign is no less that of a tyrant, though he may be a benevolent tyrant.

If by the lavish expenditure of wealth in the purchase of

advertising space in the public press the princes of the master class here in New York have created a popular demand everywhere for a law that will impose involuntary servitude upon employees of railroad corporations, then the constitution is but a piece of putty in the judicial fingers of the master class, to be molded as best accomplishes its purpose.

The American constitution may be cited as the first award of an arbitration of labor's rights. A majority of the colonies represented at the Philadelphia convention had abolished slavery. Most of the delegates regarded the slave institutions with abhorrence, yet the class consciousness of those same delegates caused them to refuse to interfere with the business interests of the employers in the remaining colonies where slave labor was a source of profit to the master class, and slavery was made an American institution by constitutional law. When Patrick Henry in his patriotic fervor called for liberty or death his conscience conceived only of political liberty, with no thought of industrial liberty of the slaves that performed the menial labors of his own household. It may be truly said that until the civil war the American master class maintained the right of ownership in human beings.

In today's issue of one of the leading newspapers of this city I find the following editorial statements:

> That labor is a commodity is not a mere legal dictum. According to the dictionaries, anything which is useful is a commodity, and anything which can be bought or sold is an article of commerce. . . . Those who defend the thesis that labor is not property use lofty words.

It is this class-conscious impulse of the master class, and of the thousands who exist or prosper by favor of business interests, that now demands that railway strikes be prohibited. No thought is given to the constitutional rights of labor. The business mind considers only the disaster of a cessation of traffic in profitable commodities.

It has not been long since railway employees favored legal measures for conducting voluntary arbitrations of wage disputes. The first federal arbitration law, known as the Erdman Act, was favored by railroad employees, although opposed as

a dangerous precedent by workers in other crafts. Its successor, the present Newlands Act, was earnestly supported by representatives of railroad employees. Yet practically all railroad employees now look upon the law with fear and suspicion. They have learned by bitter experience that arbitration under the federal law is not fair to the employees. Through disastrous arbitrations they have discovered that this insidious class consciousness of business interests permeates our whole social structure. They have learned that in the selection of arbitrators only those of the master class, or sympathetic therewith, are eligible, and that a financial interest in the results of an arbitration better fits a man to serve as arbitrator.

I might compare the arbitration of disputes between master and servant to a like process of adjusting political questions and religious contentions. Bloody wars have been fought to decide disputations arising out of the divinity of our Saviour. Just as equitably could this religious issue be decided by compulsory arbitration. Just as difficult would it be to secure an unbiased award. A Christian arbitration board would sustain and a Hebrew arbitration board would reject the divinity of Christ, and the one would be just as sincere as the other. It may be said that when a congressional campaign is fought principally upon the tariff issue, it is but an arbitration of the question, the millions of voters being the arbitrators, and the result of the election being the award. But the award made in this manner does not decide that a protective tariff is just or unjust. The result of the election shows only how many voters believed that their personal interests would be benefited by a protective tariff.

If the eight-hour day, questions of wages and other such controversies are to be adjusted by arbitration, and there is an earnest desire to secure an unbiased award, no person connected with or in sympathy with the workers or the servant class would probably be appointed as a "neutral." No person connected with the employers or in sympathy with the master class could be truly neutral. Now that the master class provides princely sums for endowment and pensions in the great educational institutions, we find learned men sum-

marily discharged for partisan leanings toward the servant class. Who is there left?

In the last arbitration conducted under the present law we found a gentleman selected as a neutral arbitrator whose social, business and political standing was such as gave credit and distinction to the proceedings. Subsequently, but before the award was made, we discovered that as trustee or director he had great financial interest in the matter he was to adjudicate. We learned that as director of one trust company he held $12,500,000 of first mortgage bonds of one of the railroads party to the arbitration. In similar manner vast amounts of securities of the railroads interested in the arbitration were owned or controlled by financial institutions with which he was officially connected.

Having knowledge of his utter lack of sympathy for the contentions of the employees, we filed a protest with the federal board of mediation and conciliation against his continuance on the arbitration board. In reply we were informed that "a knowledge of that fact would have been favorable rather than otherwise to his appointment, and nothing has been brought to our notice since his appointment as an arbitrator which, in our opinion, disqualifies him as an arbitrator."

A public opinion has recently been created through the lavish expenditure of money by a *junta* of railroad financial interests, with their headquarters in this city, that makes it almost impossible for railroad employees to secure justice through any tribunal. In their efforts to convince the American people that railroad employees should not secure an eight-hour day, we have reason to believe that many millions of dollars were expended in an attempt to suborn the public press of the nation. We have evidence that in this publicity campaign these railroad financial directors employed the advertising pages of more than 3000 daily and more than 14,000 weekly papers. Before these millions were poured into the advertising coffers of these newspapers, many were friendly to our cause and a majority were at worst neutral. Almost immediately the editorial opinions of these same newspapers voiced sentiments similar to those expressed in their advertis-

ing pages. Thus we see that with an effort to impose an arbitration of wage disputes the railroads seek to create a public opinion that will win for them the decision thereunder. If arbitration is to be enforced against railroad employees, the law should prohibit the use of money by railroads in thus "packing the jury."

Aside from the fact that an arbitration award depends almost entirely upon the mental attitude of the so-called neutral arbitrator, an award favorable to employees is never applied justly. In any arbitration of a controversy between railroad employees and their employers the latter administer the award. What would be thought of the effectiveness of a court judgment enforced only by one of the litigants? Yet this is how arbitration awards are put into effect. What are intended to be wage increases are juggled into wage reductions by railroad officials, whose authority in the matter has never been questioned.

To sum up the objections of working people to any form of compulsory arbitration, I may brief them as follows:

(1) It is but a scheme by which the employer hopes to gain a mastery over his employees:

(a) By making strikes illegal, and thus depriving working people of their only economic power.

(b) By suppressing labor organization, through depriving them of the power to effect their purpose.

(c) By creating conditions of labor through judicial process, which process the master class always has influenced and always will greatly influence.

(2) It is but the expression of a selfish desire:

(a) To avoid the personal inconvenience incidental to all strikes, without regard to the injustice against which the workers are struggling.

(b) To avoid the financial loss to business interests engaged in production and transportation, regardless of the financial loss that may fall on the workers.

(3) It is but a symptom of the mental and moral degeneration through which all great and prosperous nations have passed when:

(a) Fundamental principles of individual liberty are forgotten.

(b) That for which the founders of liberty were honored becomes a social menace.

(c) The struggle for wealth overshadows all else, with consequent disregard for the rights of the working classes.

(4) It is a deliberate effort to deprive working people of their economic power:

(a) Through legislation nominally to preserve public peace.

(b) Through an artificial public opinion, largely created by those who control the public press.

(c) Through a presumption that for public convenience the federal judiciary will find a method of depriving all working people of their constitutional right to escape involuntary servitude except as punishment for crime.

This sums up the objections not only of organized labor, but of all labor against compulsory arbitration. Some of these statements I believe to be extreme, perhaps not founded on fact; nevertheless many, many working people believe them to be true, and so believing, have a right to object vigorously to compulsory arbitration.

Pardon me if I draw a parallel. There is a general public demand that there be no strikes such as to bring upon the country what has been described as disaster; therefore, a law is sought to suppress industrial unrest that may result in these disastrous strikes. That is the theory of all monarchical forms of government with regard to political unrest. If that theory could have been enforced during the war of the revolution there would have been no United States of America. From a British point of view the social unrest that may result from a strike is not comparable with the political unrest that resulted in the formation of these United States. Any effort to secure political liberty would have been suppressed for identically the same reasons and with just as good argument as any effort to secure industrial liberty.

In America we have a democratic form of government whereby presumably every citizen votes his will. I am glad to say that we had many more citizens voting during the last election than ever before. I refer to the women. Therefore, in this country political unrest is perhaps satisfied by the opportunity to go to the polls and change that against which we protest or complain. But in monarchical forms of government, in past centuries, and still today in some countries, no such opportunity was given to the people. The governing class, who have always been the master class, truly believed that they were better qualified to legislate for the masses than were the masses themselves. In order to prevent the masses from attempting to legislate for themselves, they deprived them of all legislative authority; and in order to preserve the peace of the land they shot as traitors any persons who attempted to gain liberty beyond that which the government had accorded them. Now I submit to you that an effort in this country to deprive labor of its economic power to better its condition, receives its impetus in the same desire for peace that has held back the political rights of the human race for so many centuries.

There is a demand among all of us for peace. We would rather suffer untold wrongs than to engage in war, political or industrial. We are so constituted—and when I say "we" I mean the great mass of people—that we would rather see the workers deprived of that which is justly due them than be inconvenienced by a great strike that perhaps may prove a calamity. Whenever a nation reaches that point where the public convenience is used to suppress the individual rights of the people, then that nation has reached its zenith, and is on the downward path. If you and I are unwilling to suffer an inconvenience in order that someone may improve his industrial condition, then this nation has not fulfilled the purposes of those who created it.

If during the present period the American public will agree to an evasion of the thirteenth amendment of the constitution and without protest see railroad employees subjected to involuntary servitude, then I predict that the day is not far dis-

tant when these same peace-loving people will submit to a loss of political liberty rather than make militant protest against that loss. I have not lost faith in the judiciary, as many working people have. I yet believe that an attempt to enforce compulsory arbitration upon the working people of this country, even those that are employed by the railroads, will be frustrated by the Supreme Court of this land. I do not believe that the Supreme Court of the United States will permit an evasion of the thirteenth amendment of the constitution, even though it be for the preservation of industrial peace.